LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7193 NOTE PREPARED: Jan 7, 2011

BILL NUMBER: HB 1352 BILL AMENDED:

SUBJECT: Utility Regulatory Commission Membership.

FIRST AUTHOR: Rep. Pelath BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

Summary of Legislation: This bill provides for the election of the members of the Indiana Utility Regulatory Commission (IURC) beginning with the 2012 general election. It also makes technical changes. It repeals the statute establishing the Utility Regulatory Commission Nominating Committee.

Effective Date: July 1, 2011; January 1, 2013.

Explanation of State Expenditures: *IURC Commissioner Salaries*- Beginning in 2013, an IURC Commissioner would have their salary set at \$105,000 per year. The Chair would have their salary set at \$107,500. The impact of this provision on state expenditures would depend on whether salaries of Commissioners in 2013 are higher or lower than the limit specified in the bill.

Candidate Filings- The Election Division would have a slight increase in administrative workload to process the statements of economic interests filed by the potential candidates for the IURC. Candidates for a Commissioner seat would have to file a written financial disclosure statement with the state Ethics Commission.

<u>Background Information</u>: Under current statute, the IURC Commissioners and Chairman are appointed by the Governor. There are three Commissioners and one Chairman. Currently the salary for each of the Commissioners is \$104,000 and the salary for the Chairman is \$109,000.

<u>Explanation of State Revenues:</u> Candidate Filings- Failure to file a financial disclosure statement within a timely manner or in a deficient manner could lead to Ethics Commission action. The Ethics Commission could fine a candidate up to \$10 per day for every day the statement is delinquent or deficient. Additionally,

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a candidate that knowingly or intentionally files a false statement would be subject to a Class A infraction. The maximum judgment for a Class A infraction is \$10,000, which would be deposited in the state General Fund. However, any additional revenue is likely to be small.

<u>Explanation of Local Expenditures:</u> County election officials would need to add the names of the IURC members to the ballot. There would be a minimal increase in ballot printing costs in counties with optical scan voting systems. Counties with direct recording electronic voting systems would be able to input the office into the system without additional expense. The bill would require an IURC Commissioner to be placed before U.S. Representative and after the Superintendent of Public Instruction on the ballot.

Explanation of Local Revenues: Candidate Filings- If additional court actions are filed and a judgment is entered, local governments would receive revenue from court fees. However, any additional revenue is likely to be small.

State Agencies Affected: Ethics Commission, Election Division

Local Agencies Affected: Trial courts, local law enforcement agencies, county election boards.

Information Sources: Indiana Transparency Portal; http://www.in.gov/itp/2406.htm.

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